INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

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Defense Production Act

A two year extension of the Defense Production Act passed the Senate on July 19, the same day the House Banking Committee approved a bill that would continue the act for one year. The principal area of controversy in both the Senate and the House, however, is not the length of time for which the act should be continued, but the authority and participation of business men in the development and administration of defense plans and wartime controls.

Following a period of active debate, the Senate adopted, by one-vote margin, language proposed by Senator Capehart of Indiana that would limit the powers of "without compensation employees" to advising full-time salaried employees on policy decisions. The House Committee explained that it was recommending only a one-year extension in order that Congress could review the role that business men take in defense planning and emergency control administration next year.

Regulation Deferred on Certain Pesticides

The Food and Drug Administration has extended to October 31, 1955, the effective date of the Miller Pesticide Act, which provides for the establishment of tolerances for pesticide residues on raw agricultural commodities for certain uses for a *limited* list of pesticide chemicals. This list appears in the *Federal Register* for July 20, 1955.

The amendments added to the Federal Food, Drug & Cosmetic Act by the Miller Pesticide Bill were to become effective July 22, 1955 unless extended. The act provides that after the effective date residues of pesticide chemicals may not be present on raw agricultural commodities unless either tolerances have been established or an exemption from the necessity of a tolerance provided.

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House Agrees with Senate Action on $1 Minimum Wage

A new national minimum wage of $1.00 an hour moved toward final enactment this past week with House passage of the measure recommended by its Committee on Education and Labor. The bill passed by the House would become effective March 1, 1956.

The Senate passed a $1.00 an hour minimum wage bill on June 8 which would go into effect January 1, 1956. This difference in effective dates and a few other minor differences in the scope of the legislation, none of which is of importance to the canning industry, will be the subject of joint Senate and House Conference Committee action.

Congressional agreement on a minimum $1.00 an hour was a compromise between the Administration's recommendation of an increase in the present 75 cents an hour requirement to 90 cents and the demand of organized labor that the new minimum be set at $1.25 an hour. A last minute amendment sponsored by Republican leadership to postpone the $1.00 an hour minimum to January 1, 1957, following a year at the 90 cent figure, failed by a teller vote on the House floor of 168 to 173. Final passage of the bill was a roll call vote of 362 to 54.

Association Arbitration Procedures Reviewed and Appraised Following Joint Board Survey

For several decades the National Canners Association has endeavored to foster the use of arbitration procedures as a means of settling commercial disputes arising out of the sale of canned foods. It has done so in the belief that arbitration offers an economical, simplified, and efficient means of settlement, without recourse to formal court litigation, of all controversies arising from the sale of canned foods by canners.

In this effort the N.C.A. has had the full cooperation of the trade generally. The Rules of Arbitration promulgated by the N.C.A. for use in the arbitration of disputes involving the sale of canned foods by canners have the endorsement of the National-American Wholesale Grocers' Association, U. S. Whole Grocers Association, and the National Food Brokers Association.

The reasons for encouraging the use of arbitration are grounded in a knowledge of trade customs. To a large extent canned foods are sold to buyers located in distant markets. Most canners utilize the services of independent food brokers, and a great many canners have little personal contact with their customers. While there ordinarily prevails a relationship of mutual confidence between the canner and his customer, on occasion disputes do arise, and differences of opinion involving considerable sums of money cannot always be resolved by one party conceding that the other party is completely or partially right.

Court Litigation Expensive

When amicable adjustment of a dispute is not possible, the parties have a choice; they may either resort to the courts or avail themselves of arbitration.

Court litigation is always expensive. The forum in which the case is to be tried is frequently a great distance from the canner's or buyer's home office. Witnesses and litigants must travel. Jurisdictional and procedural questions may complicate the issues. In the long run, trial expenses may be

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Restrictions on Freight Cars

To meet what it calls "an acute shortage of freight cars" in all sections of the country, the Interstate Commerce Commission has issued regulations intended to speed freight car movement.

Railroads are directed to carry out practices that will speed loading and unloading. And, "except cars assembled for peak or seasonal movements and special types of cars for specific types of loading, no more cars shall be held for prospective loading at any time, for any industry, than those needed to protect current outbound loading."

The order is to remain in effect through December 31, 1955, unless changed before that date.

Green Peas and Snap Beans for Processing

CORRECTION

In the tables reporting production of green peas and snap beans for processing which were published in the INFORMATION LETTER of July 16, page 260, the tonnages of these crops indicated on July 1 were reported correctly, but the percentage figures were incorrect.

Percentage figures for green peas and snap beans also were incorrect in the summary table of vegetables carried on page 257 of the July 16 issue. Corrected summary table is presented and should be substituted for the one in the July 16 issue:

Crop	1954 Revised	1955 Forecast	Percent change from 1954
	(tons)	(tons)	
Snap beans	353,030	327,380	−7
Peas	398,400	434,100	+9
Spinach (winter and spring)	73,180	100,060	+22
	(planted acreage)		
Lima beans	116,750	105,710	−10
Beets	16,500	17,280	+5
Cabbage for kraut (contract)	9,320	7,790	−17
Corn	454,910	418,850	−7
Cucumbers for pickles	149,480	136,680	−9
Pimientos	32,900	26,700	−19
Tomatoes	275,300	314,250	+14

In the following tables are listed the indicated 1955 production of green peas and snap beans for processing, as reported by the Crop Reporting Board of USDA, with corrected figures for the percentages by which the 1955 crops differ from 1954 production:

GREEN PEAS FOR PROCESSING

State	1944–53 ave.	1954 revised	1955 Indicated	Percent change from 1954
	(tons—shelled)			
Maine	5,780	6,760	7,220	+7
New York	27,030	14,960	17,000	+14
Pennsylvania	17,060	13,120	14,180	+8
Ohio	2,930	980	1,360	+58
Indiana	3,740	1,580	2,500	+58
Illinois	23,610	27,170	36,400	+34
Michigan	5,860	3,380	4,720	+40
Wisconsin	133,170	115,100	137,500	+20
Minnesota	41,370	48,720	49,300	+1
Iowa	3,610	2,610	3,600	+38
Delaware	2,270	4,060	5,320	+31
Maryland	10,240	10,160	11,880	+17
Virginia	1,720	2,100	2,120	+1
Idaho	9,180	11,720	7,000	−40
Colorado	3,630	460	2,380	+55
Utah	15,990	5,660	5,750	−2
Washington	62,270	70,910	69,300	−20
Oregon	51,130	43,150	34,380	+32
California	8,070	9,380	12,390	+6
Other states[1]	9,590	6,420	6,800	+9
U. S. Total	438,250	398,400	434,100	

[1] Ark., Ga., Kans., Mo., Mont., Nebr., N. J., Okla., Tenn., W. Va., and Wyo.

SNAP BEANS FOR PROCESSING

State	1944–53 ave.	1954 revised	1955 Indicated	Percent change from 1954
	(tons)	(tons)	(tons)	
Maine	6,000	5,500	5,500	...
New York	40,000	67,700	59,400	−12
Pennsylvania	7,900	12,600	7,000	−45
Michigan	8,900	15,000	9,500	−37
Wisconsin	17,000	25,600	27,000	+6
Missouri	900	100	200	...
Delaware	2,500	2,900	4,200	+45
Maryland	16,100	22,100	19,600	−11
Virginia	5,300	5,300	6,100	+15
North Carolina	3,200	5,400	5,300	−2
South Carolina	1,900	600	400	−33
Georgia	900	200	.....	−30
Florida[1]	15,300	25,530	17,980	−6
Tennessee	7,800	12,200	11,500	+7
Mississippi	1,700	1,400	1,500	...
Arkansas	10,600	1,500	6,600	−20
Louisiana	1,200	1,000	800	...
Oklahoma	4,400	1,100	2,400	...
Texas	9,800	10,500	10,500	−18
Colorado	4,400	6,300	5,200	−11
Utah	2,000	2,800	2,500	−16
Washington	8,800	12,000	10,100	+5
Oregon	42,400	77,000	81,000	−23
California	9,300	23,700	18,200	...
Other states[2]	8,600	15,000	14,900	−7
U. S. Total	236,800	353,030	327,380	

[1] Sum of estimates by seasonal groups. [2] Ala., Idaho, Ill., Ind., Iowa, Ky., Minn., Nebr., N. H., N. J., N. M., Ohio, Vt., and Wyo.

Canned Baby Food Stocks

Details of the canned baby food supply, stock and shipment situation are reported by the N.C.A. Division of Statistics as follows:

	1954	1955
	(thousands of dozens)	
Canner stocks, Jan. 1	65,305	74,083
Pack, Jan.-June	66,445	64,687
Supply	131,750	138,770
Canner stocks, July 1	54,879	60,612
Canner shipments during June	12,845	13,554
Canner shipments, Jan.-June	76,871	78,158

Pack of Canned Meat

The quantity of meat canned and meat products processed under federal inspection during the month of June has been reported by the Agricultural Marketing Service, USDA, at 137,279 thousand pounds, including quantities for defense.

Canned Meat and Meat Products Processed under Federal Inspection June, 1955

	3 Lbs. & over	Under 3 Lbs.	Total
	(thousands of pounds)		
Luncheon meat	12,200	7,757	19,956
Canned hams	8,313	383	8,696
Beef hash	151	3,544	3,694
Chili con carne	299	6,054	6,353
Vienna sausage	49	4,386	4,435
Frankfurters and wieners in brine	12	146	158
Deviled ham	.....	705	705
Other potted and deviled meat products	.....	3,196	3,196
Tamales	17	1,780	1,796
Sliced, dried beef	13	297	310
Chopped beef	16	1,787	1,802
Meat stew	15	4,346	4,362
Spaghetti meat products	149	5,900	6,049
Tongue (not pickled)	59	95	154
Vinegar pickled products	696	1,268	1,964
Sausage	.....	879	879
Hamburger	159	1,875	2,034
Soups	4,321	40,679	45,000
Sausage in oil	274	344	619
Tripe	.....	314	314
Brains	28	114	142
Loins and picnics	1,707	86	1,853
All other products 20% or more meat	434	7,442	7,876
All other products less than 20% meat (except soup)	193	11,337	11,530
Total	29,166	104,714	133,880

Columns do not add to totals shown in all cases since rounded figures are used. Amounts packed for defense are not included in these items. Total production, including quantities for defense agencies, was 137,279 thousand pounds.

Stocks of Canned Foods on July 1 and Season Shipments

Reports on canners' stocks and shipments of canned apples, applesauce, RSP cherries, green and wax beans, beets, carrots, corn, pumpkin and squash, tomatoes, tomato juice, catsup and chili sauce have been issued by the N.C.A. Division of Statistics, and detailed reports covering the July 1 stock and shipment situation were mailed to packers of these products.

	Carryover month	Case basis	Total Supply 1953	Total Supply 1954	Canners' Stocks, July 1, 1954	Canners' Stocks, July 1, 1955	Season Shipments to July 1, 1954	Season Shipments to July 1, 1955
			(thousands of cases)					
Apples	Aug.	6/10	3,120	4,857	249	1,293	2,872	3,564
Applesauce	Aug.	actual	11,384	15,835	1,012	3,202	10,371	12,633
RSP cherries	July	actual	3,962	3,253	167	[a]125	3,795	3,128
Green and wax beans	July	actual	24,229	33,967	2,269	[a]6,171	21,959	27,796
Beets	July	actual	10,584	9,942	2,204	[a]1,495	8,380	8,447
Carrots	July	actual	3,157	3,020	1,010	[a]851	2,147	2,169
Corn	Aug.	actual	38,562	41,906	6,662	7,337	31,900	34,569
Pumpkin and squash	July	actual	3,876	3,145	1,350	[a]195	2,517	2,950
Tomatoes	July	actual	25,800	28,324	4,214	[a]2,702	21,586	25,562
Tomato juice	July	actual	38,967	33,540	10,113	[a]5,405	28,854	28,135
Catsup	July	actual	25,577	24,255	5,691	[a]2,699	19,886	21,556
Chili sauce	July	actual	3,425	2,863	884	[a]436	2,541	2,427

[a] Carryover from 1954 pack into 1955–56 season.

C & TR Radio Releases

The fact that scientific research guarantees quality canned foods was stressed in a June 21 radio release in the "Scriptease" series which is part of the continuing Consumer and Trade Relations Program of the N.C.A. The release was mailed to 67 broadcasters of women's programs with an estimated listening audience of 4 million.

In another radio release issued July 13 in the "Timely Talk" series, the fact that canned foods lend themselves favorably to outdoor cooking was emphasized. This release went to 179 broadcasters of women's programs in 47 states with an estimated listening audience of 11 million.

Tomato Powder Concentrate

Research sponsored by the U. S. Department of Agriculture is going forward with the development of a tomato powder which can be reconstituted, with water, into tomato juice or other tomato products.

USDA research in cooperation with the Chain Belt Company of Milwaukee, Wis., has demonstrated that high quality tomato powder can be produced by a continuous process in commercial vacuum-drying equipment.

The powder has natural tomato flavor, color, and nutritive value, and mixes readily with water. It would have many uses—for making tomato paste, soups, and other foods, as well as tomato juice, according to USDA.

More work is needed on preparing the raw materials, on retaining quality during storage, and on marketability and other phases, USDA says. The Army QMC is evaluating the powder to determine its suitability for military use.

The tomato powder is an outgrowth of studies by the USDA's Western Utilization Research Branch on the drying of orange juice to a powder.

The new continuous vacuum-drying process for tomato juice powder consists essentially of concentrating the juice by removing part of the water, drying this concentrate in thin layers under critical temperatures and pressures, grinding and packaging the powder in a dry atmosphere, and adding a small package of drying agent in the sealed container, in order to continue drying the powder even after it is packaged. The resulting product contains only 1½ to 2 percent moisture.

Canned Foods for VA

The Veterans Administration has invited sealed bids to furnish the following:

FRUIT COCKTAIL—7,542 dozen No. 10 cans, choice (Grade B), packed in heavy syrup, complying with Federal Specification Z-P-681a, f.o.b. origin or destination; or equivalent in No. 2½ or No. 2 cans. Bids due under S-10 by Aug. 17.

PEARS, DIETETIC—15,250 dozen No. 303 cans, bartlett, halved, choice (Grade B), packed in water, complying with Federal Specification Z-P-201c, Type I, Style I. Bids due under S-11 by Aug. 17.

PEARS, BARTLETT—12,500 dozen No. 10 cans, choice (Grade B), packed in heavy syrup, complying with Federal Specification Z-P-201c, Type I, Style I, or equivalent in No. 2½ or No. 2 cans. Bids due under S-11 by Aug. 17.

PICKLES, CHOW-CHOW—8,346 No. 10 cans or 6,600 gallon jars, sweet chow-chow, complying with Federal Specification JJJ-P-391a and Amendment 2, Type IV. Bids due under S-19 by Aug. 16.

PICKLES, DILL—22,800 gallon cans, or 28,824 No. 10 cans, whole dill, imitation or genuine, complying with Federal Specification JJJ-P-391a and Amendment 2, Type II. Bids due under S-19 by Aug. 16.

PICKLES, SWEET—11,400 gallon cans, or 14,412 No. 10 cans, whole sweet gherkins, complying with Federal Specification JJJ-P-391a and Amendment 2, Type I. Bids due under S-19 by Aug. 16.

PICKLES, MIXED—9,000 gallon cans, or 11,376 No. 10 cans, mixed, cut and sweet, complying with Federal Specification JJJ-P-391a and Amendment 2, Type III. Bids due under S-19 by Aug. 16.

PICKLES, RELISH—21,300 gallon cans or 26,922 No. 10 cans, sweet relish, complying with Federal Specification JJJ-P-391a and Amendment 2, Type V. Bids due under S-19 by Aug. 16.

TOMATOES—27,500 dozen No. 10 cans, extra standard (Grade B), complying with Federal Specification JJJ-T-571b, Type I, or equivalent in No. 2½ or No. 2 cans. Bids due under S-15 by Aug. 16.

Ripening Peaches off the Tree

Peaches picked at the firm-ripe stage and ripened under controlled temperature may be better as canned peaches than peaches that are tree-ripened, according to research by the U. S. Department of Agriculture.

In tests with Halehaven and Elberta peaches grown in Maryland, USDA found that canned and frozen peaches that took six to eight days to ripen at 65°F. were superior in color, texture, and general acceptability and equal in flavor to those ripened on the tree.

In temperature tests, peaches ripened at almost the same rate at 65, 75, and 85°F., but least decay occurred at 65°F. At 95°F., ripening was slower and poorer—too hot for the fruit.

Both yellow and red color was less intense in tree-ripened peaches than in those ripened in storage.

USDA reports that similar studies at several state experiment stations indicate that best ripening temperatures may vary somewhat in different peach-growing areas.

British Token Import Plan

Canned vegetables and soups are included among the commodity groups for which quota balances are now available under the British Token Import Plan. The groups are listed in the current *Foreign Commerce Weekly*, issued by the Bureau of Foreign Commerce, Dept. of Commerce.

Under the BTIP, established with the U.S. in 1946, eligible U.S. firms are enabled to export to the United Kingdom token shipments of specified commodities whose importation from dollar sources generally is prohibited by the British government.

A quota balance is that portion of the U.S. quota established for each of the various commodity groups included under the BTIP which had not been issued by June 30, 1955, in the form of Token Quota Vouchers to firms certified on a prewar export basis.

At the outset, only firms having prewar trade in these commodities with the U.K. were eligible to participate in the plan. Under new regulations set up early this year, any manufacturer of an item in a specified commodity group may apply to the BFC for a share of the quota balance announced for that group, regardless of his prewar exports to the U.K.

Pesticide Regulations

(Concluded from page 263)

Tolerances for an extensive list of pesticide chemicals appeared in the *Federal Register* for March 11, 1955 (see INFORMATION LETTER of March 19, page 155). On June 10, 1955, the Food and Drug Administration issued a regulation establishing procedures for requesting extensions of the effective date of the act for pesticide chemicals for which no tolerances had been established or for additional uses for chemicals for which tolerances had been issued. The extensions just granted are the result of applications filed by pesticide manufacturers.

The effect of this extension is to permit residues of the list of chemicals appearing in the *Federal Register* for July 20, 1955 on the raw agricultural commodities specified therein until October 31, 1955, even though no residue tolerances have as yet been established. A list of these chemicals and the crops on which deferment has been granted may be obtained from the Raw Products Research Bureau of the N. C. A.

Arbitration Procedures

(Concluded from page 263)

such that neither party gains from the proceeding. Furthermore, there is something about the atmosphere of a courtroom calculated to destroy good commercial relations. It is also true that neither judges nor juries are particularly qualified to deal with the peculiar problems of canning and canned food merchandising.

Arbitration is designed to minimize these difficulties. Procedures for procuring arbitration and for conducting the proceedings are aimed at economy, simplicity, and the speedy settlement of disputes. Judgments are rendered by a panel of men drawn from the trade who are intimately familiar with the standards, ethics, and practices of canned food merchandising. The atmosphere of hostile litigation is suppressed—yet the dispute can be conclusively terminated by the rendering of a legally enforceable award.

The N.C.A. has embodied its concept of a fair and efficient arbitration system in the Rules of Arbitration promulgated by the N.C.A. in 1947. These arbitration procedures are not necessarily superior to all other arbitration systems to which a canner has access—i.e., no canner need feel obligated to limit his dispute settlement techniques to the N.C.A.-endorsed arbitration procedures. But the N.C.A. rules have been developed with an eye to the peculiar problems involved in canned food merchandising and for the purpose of assuring a uniform dispute settlement procedure for use in all markets. The canner is therefore able to employ an unvarying arbitration clause in each of his contracts of sale. Furthermore, under the N.C.A. rules, the arbitrators responsible for rendering the award sit only on controversies arising from the sale of canned foods. Other arbitration systems are necessarily less pointed in nature.

Arbitration Procedure Described

Under the N.C.A. rules, there is established in each important market center a panel of arbitrators consisting of representative food brokers and wholesale distributors appointed by their respective national associations. No canners are included on these panels—which are known as Joint Arbitration Boards—but reliance is placed on the integrity and fundamental fairness, grounded in practical experience, of the panel members.

Whenever a dispute arises under a written contract which contains an arbitration clause providing for arbitration under the N.C.A. rules, either party may institute proceedings by sending to the other party, by registered mail, a written demand to arbitrate, and two further copies of the demand, together with two copies of the contract out of which the controversy arose, to the Chairman of the Arbitration Board which under the rules has jurisdiction of the dispute. The Chairman then selects three arbitrators from the local panel and gives notice to the opposing parties of the time and place set for a hearing.

In the event the sales contract does not contain an arbitration clause requiring that all future disputes arising under the contract be settled by arbitration under the N.C.A. rules, the parties may agree after the dispute has arisen to submit the controversy to arbitration under the rules.

When, in either fashion, the Joint Arbitration Board has properly obtained jurisdiction of the dispute, its action is legally binding on the parties, and either party may, if the other refuses to comply with the award, easily convert it into a court judgment.

The hearings are informal and simply conducted. Either party may be represented by a lawyer, but he need not be and frequently is not. The party seeking arbitration presents his case first. He may use witnesses, papers, or samples. Full questioning is permitted. Every effort is made to keep the proceedings unlegalistic, yet fully protective of the rights of both parties.

The form of the award rendered by the arbitrators is not restricted. The arbitrators can specify that one man is wholly wrong or wholly right, or they can make any other determination on the controversy which they believe to be fair and equitable.

Copies of the full text of the Rules of Arbitration which have necessarily been greatly simplified in the above discussion, are available on request from the N.C.A.

Experience Under the Rules

The N.C.A. has recently conducted a survey of the functioning of these Joint Arbitration Boards to determine whether the rules are effectively accomplishing their goal—the efficient and expedient settlement, without recourse to formal court litigation, of all controversies arising out of the sale of canned foods to which the canner is a party. Questionnaires were submitted to the Chairman of each of the Joint Arbitration Boards now in existence throughout the country. The Chairmen were asked to give a history of their boards' operations and to comment generally on the effectiveness of the rules.

Replies have indicated that canners and their customers find it only infrequently necessary to avail themselves of these arbitration procedures. In some major market centers, only a handful of proceedings have been conducted in the last decade. Yet there has been consistent expression of the need for these arbitration panels and procedures and their usefulness in accomplishing the purposes for which they were designed.

Many chairmen point to the general improvement in the quality of canned foods as an explanation of the infrequency with which the arbitration boards have been called upon to act. Others attribute this result to the increasing emphasis on brand rather than grade buying, grades formerly being a principal cause of controversy. Still others trace the infrequency of arbitration demands to the increased flexibility in buying and selling arrangements now common in the trade, a flexibility which tends toward less firm commitments by either buyer or seller.

Yet, despite the only occasional resort to these arbitration procedures, the chairmen were unanimous in endorsing the effectiveness and usefulness of the current rules. To many, this seeming paradox is explained by the influence that the mere existence of these arbitration procedures exerts in promoting amicable adjustment of disputes. A party to a dispute who knows that he can be required to submit his position to the objective judgment of persons familiar with canned foods and canned food merchandising is more likely to seek an understanding with the opposite party. So also, even when the buyer and seller have not bound themselves by contract to submit the dispute to arbitration, the refusal of an offer to arbitrate may be considered a public acknowledgment of unreasonableness.

Yet frequently the rules have not achieved their maximum usefulness. Many canners seem unaware that arbitration is an entirely voluntary substitute for court litigation, and that, in the absence of a contract clause requiring arbitration or a submission agreement after the dispute has arisen, neither party has the right to demand arbitration of the other. In recent years, many incidents have been called to the attention of the N.C.A. in which the canner sought to obtain arbitration of a dispute with his buyer but was unable to do so.

Ordinarily the inability of the canner to obtain arbitration of a dispute flows from his failure to include a legally sufficient arbitration clause in his contract of sale. Many canners, intentionally or otherwise, make no reference to arbitration in their sales contracts. Other canners transact sales solely on brokers' memorandums which contain no arbitration clauses.

Frequently an arbitration clause included in a sales contract will fail to specify the arbitration tribunal or the arbitration rules under which the arbitration is to be conducted with sufficient particularity to insure the legal jurisdiction of the Joint Arbitration Board. Arbitration clauses stating that arbitration shall be conducted "in the usual manner" or simply declaring that disputes shall be settled "by arbitration" are too

indefinite to dispose of such jurisdictional questions.

Many canners have also learned only after a dispute has arisen that they have legally submitted themselves to the jurisdiction of arbitration systems other than those sponsored by the N.C.A. This follows from the practice prevalent in some markets of brokers overstamping their canners contracts with clauses calling for arbitration under local arbitration procedures and before panels other than those established under the N.C.A. rules.

The N.C.A. urges that every canner review his practices in this regard. Every canner should at least have knowledge of whether he is legally entitled to demand arbitration in the event a dispute with his buyer arises, or whether his buyer may in like manner demand arbitration of him. He should also acquaint himself with the practices of his brokers sufficiently to know whether in particular markets he is committing himself to dispute settlement procedures not sponsored by the N.C.A. and whether, if such is the case, he wishes to continue to do so.

Recommended Arbitration Clause

The N.C.A. rules contemplate that the arbitration will be held in the city nearest to the place where the foods are located. This conforms to the practice generally followed in arbitration and is believed to offer a satisfactory test for determining the place of arbitration. The rules are not controlling, however, and the canner and his buyer may in any particular sales contract designate either the specific city in which the arbitration is to be held or state that the arbitration is to be held in the city nearest to the place where the buyer has his principal place of business.

Accordingly, the recommended contract clause is offered in alternative forms. If a single city is specified in which arbitration is to be held, it is necessary that the city selected be one in which a Joint Arbitration Board has already been established under the N.C.A. rules.

The recommended arbitration clause is as follows:

"Any controversy arising out of this contract shall be settled by arbitration in

[*Specify a single city in which a Joint Arbitration Board is located.*]

[X, Y or Z *(specify particular cities in which Joint Arbitration Boards are located)* as the parties may agree. In the absence of agreement, arbitration shall take place in whichever of these cities is nearest to the point where the goods are located at the time the controversy arises.]

[X, Y or Z *(specify particular cities in which Joint Arbitration Boards are located)* as the parties may agree. In the absence of agreement, arbitration shall take place in whatever city is in fact nearest to the point where the goods are located at the time the controversy arises and in which there is a Joint Arbitration Board approved by the National Canners Association.]

[The city nearest to the point where the goods are located at the time the controversy arises and in which there is a Joint Arbitration Board approved by the National Canners Association.]

Arbitration shall be held before Joint Arbitration Boards approved by the National Canners Association and under the Rules of Arbitration promulgated by the National Canners Association. The award of the arbitrators shall be final and binding upon both parties. No unimportant variation in the execution of this contract shall constitute a basis for a claim. A judgment of the United States District Court in and for the district within which the award was made may be entered on the award made in all cases in which such Federal court has jurisdiction. In all other cases, the state court having jurisdiction of the matter shall enter judgment on the award."

Any questions concerning the interpretation or application of the N.C.A. Rules of Arbitration may be addressed to the N.C.A.

Parents' Magazine

Food editor Blanche M. Stover's section in the July issue of *Parents'* magazine features quick and nutritious summer lunches for children. Fifty-one uses of canned foods appear in the section.

Miss Stover says to plan tray lunches, make the lunch a part of the child's recreation, and keep the larder well stocked with easy to prepare foods if you want to keep the children interested in eating in hot weather and make lunch-getting quick.

Recipes, menus, and suggestions are given in two articles of the section. "Tray Lunches For the Younger Set," the first article, begins with six tray lunch menus that are shown attractively arranged for serving, in black and white photographs. Recipes are given for some of the dishes.

Another article, "In-A-Minute Lunches for Hungry Children," says, "Here are over fifty suggestions for quick-to-prepare foods which can be combined in numerous ways to suit the ages and tastes of young lunchers. Why not use them to shorten time spent in the kitchen and to conserve energy for vacation fun?"

California Canning on TV

California's canning industry will be featured on a special television program from 9:30 to 10 p.m. Pacific Time, Monday, July 25 from Station KOVR, Channel 13, Stockton, Calif. The show is one of a series sponsored by the Port of Stockton and devoted to important California industries utilizing the output of the state's valleys.

Stockton Port Director Elmo Ferrari will host the program with M. A. Clevenger, of the Canners League of California, as his guest. The interview will last four or five minutes and the balance of the program will show a film sequence picturing the canning process from orchard to finished product.

Campbell Soup Director

Campbell Soup Company has announced the appointment of Dr. Carl H. Krieger as Director of Basic Research, a new department formed to consolidate the various basic research activities of the company. In his new position, which will become effective September 1, Dr. Krieger will be responsible for directing research work in the fields of nutrition, the chemistry of flavors and fundamental research on ingredients.

Dr. Krieger has served as a teaching assistant in the Department of Biochemistry at the University of Wisconsin and as a research associate at the Alumni Research Foundation. In 1940 he was appointed laboratory manager of the Wisconsin Alumni Research Foundation Laboratories and continued in this capacity until 1950 when he was appointed Director of General Laboratories which is his present position.

Morrill Remarks Broadcast

Comments of President George B. Morrill, Jr., of the N.C.A., were carried on two June 14 broadcasts from radio station WLS, Chicago. Dix Harper on a noon broadcast and Bill Mason on an evening broadcast used quotations from Mr. Morrill's speech at the spring meeting of the Michigan Canners and Freezers Association dealing with the interdependence of canners and growers and citing the many major accomplishments that have come from joint agricultural research on canning crops.

Status of Legislation

Wage-hour legislation—S. 2168, increasing the statutory minimum wage to $1 an hour, effective January 1, 1956, was passed by Senate June 8. H. R. 7214, to establish a $1 minimum wage on March 1, 1956, was reported by House Labor Committee July 11 and passed House July 20 (see story, page 263).

Price supports—H. R. 12, restoring price supports on basic crops at 90 percent of parity, was passed by House May 5. Senate Agriculture Committee suspended hearings on price support legislation.

Mexican farm labor program—H. R. 3822, to continue for 3½ years program of importing Mexican farm workers, was approved July 20 by Senate Agriculture Committee with amendment limiting extension to 1½ years.

Agricultural trade development—S. 2253, to increase the authorization under the Agricultural Trade Development and Assistance Act of 1954 from $700,000,000 to $1,500,000,00 passed the Senate July 20.

Sugar—House Agriculture Committee has concluded hearings on revision of Sugar Act and voted July 21 to report revised quota measure to House. No action scheduled by Senate Finance Committee.

FDA codification—H. R. 6991, to revise, codify, and enact into law Title 21 of the U. S. Code, entitled "Food, Drugs, and Cosmetics," passed House July 18.

Trip-leasing—S. 898, to prohibit ICC regulation of the duration of motor carrier leases, was approved by the Senate Commerce Subcommittee on Surface Transportation July 14.

Renegotiation—Conference report on H. R. 4904, providing a two-year extension of the Renegotiation Act of 1951, approved by Congress this week and sent to President July 21.

Small Business Act—S. 2127, providing a two-year extension of the Small Business Administration, and increasing the maximum permissible loan from $150,000 to $250,000, was passed by Senate June 6. House Banking Committee has concluded public hearings and ordered bill reported to House.

Philippine Trade Act—H. R. 6059, to authorize the President to enter into a revised trade agreement with the Philippine Republic, passed Senate July 20 without amendment.

Customs simplification—H. R. 6040 was passed by the House June 22 and was the subject of public hearings by the Senate Finance Committee July 6-8.

Hells Canyon Dam—S. 1333, to authorize construction, maintenance and operation of Hells Canyon Dam, was approved by Senate Interior Subcommittee June 8. Full committee resumed hearings July 11. Hearings on companion bills were resumed by a House Interior Subcommittee July 13.

Water pollution—S. 890, extending and amending the Water Pollution Control Act, passed Senate June 17; subject of a House Public Works Committee hearing July 20.

Fibre Cans, Tubes to Compete with Metal, Glass, Plastics

The fibre can and tube industry, after some 60 years of adherence almost solely to paper conversion, has determined to utilize the improved characteristics made possible by plastics and synthetic resins, according to Paul S. Hanway, managing director of the National Fibre Can and Tube Association, New York City.

Currently, the Association is requesting packaging problems and ideas on new products from both military and industrial organizations for consideration by its Industry Technical Group and the Research Committee.

A critical engineering study conducted over the past year disclosed that the addition of new attributes, now made possible by new impregnants and coatings, to the known merits of fibre cans and tubes serves to make them competitive with metal, glass, paper boxes, and plastic products for countless new uses. Such would include packaging of oils, fats, greases, hygroscopic chemicals, more food products, syrups, drugs, radar and electrical products, and ducts, said Mr. Hanway.

This survey disclosed that but one of every three purchasing agents contacted had more than a vague idea of the packaging benefits possible by uses of fibre cans and tubes.

The industry, according to Mr. Hanway, is studying a proposal for research at the University of Minnesota, which would entail studies on migration of vapor through raw materials used, dimensional stability, and additional means for quality controls.

M. C. Ricciardi, president of United Can Company, is chairman of the Industry Technical Group; J. C. Baxter, president of J. C. Baxter Company, is chairman of the Industry Improvement Committee; and C. B. Graves, vice president of Sefton Fibre Can Company, is chairman of the Fibre Can Group. Managing Director Paul S. Hanway is coordinator. A. P. Niemand, vice president of Niemand Brothers, Inc., is the newly elected association president.

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